

# *Review of* INTERNATIONAL AFFAIRS

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ON THE EVE OF A SIGNIFICANT VISIT

SOME LEGAL PROBLEMS OF THE FTT MEMORANDUM

NEW FORMS OF SOCIAL MANAGEMENT

NORTH ATLANTIC TREATY ORGANISATION

ECONOMIC CO-OPERATION ON THE BALKANS

THE ARAB REVOLUTION

CHANGES IN THE SOVIET UNION

FOREIGN FILMS IN YUGOSLAV CINEMAS



# Review of INTERNATIONAL AFFAIRS

Edited by:  
THE EDITORIAL BOARD

Chief Editor:  
RADE VLKOV

Published by  
THE FEDERATION OF YUGOSLAV JOURNALISTS

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## On the Eve of a Significant Visit

SINCE it has been announced that the Yugoslav President, Marshal Tito, will pay a friendly visit to India and Burma, interest in the free countries of Asia in this event has been increasing steadily. The reason for this interest, and the extremely cordial reception anticipated, does not lie merely in the fact that President Tito's arrival will be the first visit of the head of a European state to India, but primarily in the sympathy and respect which the three countries feel towards one other, in the constructive character and prestige of their policy on the international scene, and the personalities of Nehru, U Nu, and Tito, with whom the conception of an independent policy and peaceful international cooperation, based on equal rights, is indissolubly linked. As stressed in all three countries, the visit of President Tito will offer a unique opportunity for the tangible manifestation of the deep identity of views and friendship among these nations with similar international positions and aspirations.

Almost until yesterday Yugoslavia and the two independent Asian countries, which are so remote from each other geographically, were virtually unknown to each other. Today also they differ in many respects, in their economic and social systems, and their kind of development. But they have remained similar and close to each other because of their affinity and the sacrifices made in the long struggle for their national liberation and independence, and because of their present efforts to secure peace, progress and equal rights.

Substantial differences in aims and aspirations prevail in the world of today. But the wish to devote their forces to the consolidation of world peace and progress, to do all in their power to reduce international antagonisms, and eliminate possibilities of new world conflagration link, unite and rally many peoples and countries, regardless of geographical position. Contemplated in the light of such lofty motives, which are the keystone of the international activities of Burma, India and Yugoslavia, the visit of President Tito to independent Asia will have no other purpose than that intended: to demonstrate in practice that not only coexistence and mutual tolerance, but also constructive cooperation in all fields, is possible on a basis of mutual respect and equal rights among peoples which strive towards peace, regardless of their ideological orientation, size, race and geographical position.

The numerous similarities in the economic position of the three countries, the kindred objectives of foreign policy, and primarily the circumstance that Yugoslavia, in view of her system and principles, is in a position to maintain the type and form of relations and cooperation with the independent countries of Asia which best correspond to the social and economic needs and national aspirations of this part of the world constitutes a basis for their lasting, mutual, profitable and peaceful cooperation in the common interest of world peace and its preservation. Just as the Yugoslav peoples are well aware of, and admire the struggle of the Asian peoples for independence and emancipation against semi-colonial dependence, inequality and exploitation by the non-Asian powers, Yugoslavia has to a no lesser extent penetrated into the consciousness of Asia as a new concept of cooperation. Their mutual friendship has been built on a basis of mutual understanding of the national problems of each country, while their joint activity in UNO, where the efforts of the three countries for the justified demands and rights of small nations, the liberation of colonial countries, economic and technical assistance to underdeveloped areas, a peaceful approach to the solution of international disputes, has coincided in many cases, shows the respective positions occupied by

India, Yugoslavia and Burma, and the joint role they can play on the international scene.

Both India and Burma are today making immense efforts and sacrifices to bring about an internal economic, cultural and social transformation. These countries attained their independence immediately after the end of World War II. Their appearance on the international scene as independent countries was an epoch-making event for contemporary Asia and the world in general, as it marked the downfall of colonial rule as an international system, which had its main strongpoints in Asia. Both countries are conscious today that they can permanently preserve their independence, and will be able to fulfil the mission assigned them in Asia only by solving the problems deriving from their backwardness and poverty, and by economic and social emancipation.

The international activities of India and Burma have attracted the interest and recognition of the entire peace-loving world, especially their active struggle for peace, and the achievement of full independence among peoples of different convictions, strength and continents. The constructive characteristic of their foreign policy lies in their resolute repudiation of all foreign interference and intervention in the life of free Asia, and their rejection of the formula according to which all contemporary problems can be solved by the use of pressure or various forms of preventive war, such as the so-called struggle against communism, and by waging crusades with completely different backgrounds under ideological pretexes. The people in India and Burma and throughout independent Asia firmly believe that the primary requisite for the protection of their vital interests and the preservation of peace and independence is the liquidation of their inherited backwardness and their internal instability, and all the difficulties which attend such a process.

The Asian peoples believe that the unselfish aid of the developed countries, extended without ulterior motives, as well as a deeper understanding of these countries for Asian problems and needs would accelerate and facilitate their overall advancement and progress. This would also provide the necessary incentive for the Asian countries to participate and cooperate in peaceful actions in other parts of the world, to a greater extent than they have done hitherto. It would also decrease their justified suspicion of various political actions and combinations stemming from other continents. The present easement of world tension will bring about, it is generally considered, the long-awaited conditions which would enable relations between Asia and the non-Asian world to be placed on a different, more constructive basis, and this would, under conditions of full independence and equal rights, ensure the cooperation of the Asian nations for the cause of peace and general progress in the world.

As we have unfortunately not yet reached that stage of evolution in the attitude of the non-Asian world towards Asia and her problems, India and Burma and the other independent Asian countries are forced to direct their united efforts in two directions: towards the preservation of their present achievements, and towards a direct struggle for the preservation of peace. Because they consider the heritage of the past as a threat and a danger to the future, the peoples of Asian continent attribute paramount importance to the struggle for the liquidation of the last traces of colonialism, and the promotion of independence. Yugoslavia welcomed the appearance of the independent peoples of Asia on the international scene with sympathy, and will continue to extend full support to their efforts for the achievement of progress, peace and equal rights.



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# OPINIONS ON ACTUAL PROBLEMS

Milan BARTOŠ

Professor of Belgrade University

## Some Legal Problems of the FTT Memorandum

**P**RACTICE has called forth some new legal problems involved by the implementation of the Memorandum of Understanding on the Trieste problem of October 5, 1954 and we have promised to give our views of them. Apart from a number of new problems which impede the technical enforcement of the Memorandum, there are certain factors which even resolve some disputes and eliminate the questions posed earlier. We will therefore begin with one of these.

1. An Organ of the International Community is Competent to Rule on such Disputes. — The contracting parties decided in London to communicate the Memorandum to the Security Council of the UN. In our previous article we called attention to the fact that there exists no body which would correspond to a Peace Conference, that it is impossible for such a body to bring decisions, the lack of legal authority of the great powers to decide themselves in this matter, and the competence of the Security Council. When speaking of the Security Council the actual implication was whether all the permanent members of the Security Council i.e., those invested with the right of veto, would accept this agreement.

In our previous article we expressed the hope that all countries represented in the Security Council would appraise this agreement as a contribution to peace. We believe that the Security Council has actually played its part and that the question is now definitely settled from the standpoint of international law, in view of the communication of the Soviet representative to the President of the Security Council to the effect that the Soviet Union had taken note of the Agreement. The Soviet Union not only raised no objections but also gave its own comment, which differs in no way from the comment of the powers principally concerned, i.e. that this agreement will doubtless contribute to the cause of world peace. Consequently the Security Council, by acquainting its members with this communication, gave an opportunity to the countries authorised by the Charter to act as guardians of world peace to appraise the newly created situation. No member country of the Security Council asked that the question be placed on the agenda for discussion. This means that all these countries accepted this solution as a normal event. In this manner the Security Council tacitly decided to adopt this settlement.

2. The Compulsory Nature of the Agreement. — The sceptics who, blinded by old formulas sought additional explanations as to whether the Agreement contained in the Memorandum constituted a perfect obligation of the contracting States, received an answer from the Parliaments of the two neighbouring countries. Both the Italian Parliament and the People's Assembly of the Federal People's Republic of Yugoslavia accepted this agreement. Consequently the agreement represents a perfect international obligation of the two limitrophe countries while, by withdrawing their troops from the occupied territory, the United Kingdom and the USA have partly shown that they also consider the agreement as binding. In this way the agreement has become a solemnly assumed obligation of

the two limitrophe countries, proclaimed in both parliaments as an indicator of their future relations. I am glad as a jurist that the assumption of obligations was a more solemn affair than the signature.

To us who are closer to the everyday run of events practice has confirmed that this is a perfect agreement also in the practical sense. Representatives of the two countries have come in touch, and initial measures have been taken to hold meetings for the implementation of the agreement. These measures are reflected both in diplomatic contacts and written diplomatic documents exchanged between the two Governments. All these documents are based on the Memorandum, and quote certain of its passages or annexes as their legal basis. This shows the consistent desire of the parties to adhere to the provisions of the agreement.

3. Autonomous Regulations as a Supplement to the Agreement. — Both the Italian Parliament and the Yugoslav Assembly have enacted a series of regulations by which the consequences of the agreement are introduced into the internal legislation. As the main instruments we have on the one hand the order of the Supreme Commander of the Yugoslav People's Army on the abolishment of military administration in the former Zone B, and on the other the Decree of the President of the Italian Republic on the transfer of authority in Trieste from the Italian military commander to the regular civil authorities. Apart from this, internal laws have been introduced relating to life in the former area of the FTT, in which regular Yugoslav or Italian legislation is being introduced, and full legal guarantees are extended to inhabitants of these areas which are equalised with their Yugoslav or Italian compatriots. This means that the legislative and decretal acts of the two countries assume the agreement to be a fait accompli and with this as a point of departure, are proceeding with the regulation of legal relations. All these regulations have the formal character of internal laws while in essence they represent an authentic interpretation and application of the Memorandum as an international instrument.

Needless to say, the application of these regulations will give rise to certain complex legal problems. The regulations and their annexes anticipate a series of new agreements between the two contracting parties, with a view to the enforcement of the decisions and principles reached in the way foreseen by the instrument and its annexes. Many of these regulations require negotiated settlements. So far, where it has been said that the matter will be settled in this manner, we have only the promise of both sides that representatives of the two countries will meet in the very near future to deal with these matters. It is still premature to forecast whether an identity of legal views will prevail on this occasion or whether some questions will have to be discussed. Moreover, the practical enforcement of every international instrument always gives rise to new problems, and requires compromise solutions to be devised if the individual interests of the respective countries, despite recognized common interests,



require special formulations. We can say that an atmosphere of confidence, as well as the wish to avoid delaying the fulfilment of the objectives stipulated by the agreement by legal formulas, prevails for the time being.

We could even cite an obvious example of the prompt liquidation of a minor dispute over interpretation. The annexes of the Memorandum anticipate the opening, in an unequal manner, of a Yugoslav consular mission in Trieste and an Italian one in Kopar. It was stated in the Italian letter that an office for the conduct of consular affairs would be opened in Kopar while the Yugoslav letter provided for the opening of a Yugoslav consular mission in Trieste whose chief would have the rank of consul-general. This disparity of terms was differently interpreted by the Yugoslav and Italian Governments. The Italian Government understood that this was to be a provisional and not a definite solution of the consular problem. The Yugoslav Government, on the contrary, advanced the opinion that despite the difference of terminology in the letters annexed to the Agreement, the Yugoslav wish was that permanent consulates of a definite rank should be established, i.e., an Italian Consulate in Kopar and a Yugoslav General Consulate in Trieste. On this basis the Italian Government requested that the term used by the Yugoslav Government be inserted in both letters, namely that government missions with consular functions be opened, instead of regular consulates, for the time being. A compromise was soon devised. The Yugoslav Government accepted the Italian view as regards the temporary name of the institution, while the Italian Government accepted the Yugoslav standpoint that these missions be converted into regular consular bodies in accordance with the regulations of international consular law. For the time being, delegates have been appointed with consular functions although of different rank, and when the general conditions are satisfied, namely the letters patent and the exequatur issued, the missions will be converted into consulates, i.e., general consulates. Thus, beginning from October 27, the Yugoslav economic delegation in Trieste ceased to exist as far as the Italian Government is concerned, and is now replaced by the Yugoslav Government mission, whose chief is invested with the function and rank of a consul-general, while an Italian Government representative, with functions and the rank of a consul will be appointed in Kopar. Here substance prevailed over form: a verbalistic interpretation was overcome by reality.

However, practice imposes some concrete legal questions which have found a solution in principle in the Memorandum, but for which there exist no explicit regulations in its provisions. We shall mention only a few, among a series of such questions.

a) The protection of Trieste citizens abroad, i.e., in third countries. — The inhabitants who must be considered as permanently resident in areas placed under Yugoslav or Italian civil administration, and who are currently living abroad, should regulate their status and enjoy the consular and diplomatic protection of their country. They are no longer represented by some abstract authority on behalf of the FTT, but by the concrete diplomatic mission of one or other of the two limitrophe countries. In our opinion two factors exert a decisive influence as to the country which will represent these persons: the objective and subjective, joined into a single entity. Primarily the natural factor, is also the objective, i.e., the circumstance where these persons were domiciled on the critical date of the Peace Treaty with Italy, namely, on July 10, 1946, this objective criterion being the starting point. But as these persons are entitled by the Memorandum to effect the transfer of their domicile within a year's term, and as they are actually not living on either of these territories, they are enabled of their own free will to decide to which territory they will elect to be their permanent domicile, regardless of their present residence abroad, and thus place themselves under the protection of one of the neighbouring countries. That is to say, if those formerly living in Trieste wish to transfer their domicile to Yugoslavia, they can seek the protection of Yugoslav representatives, and benefit by the right extended them by the Memorandum and the Yugoslav law and enjoy the same legal status and rights as their Yugoslav compatriots. Conversely, if they wish to retain their regular domicile in Trieste, they are placed under Italian protection abroad. This question is practically reflected primarily as regards their future travel documents.

b) Application of National Laws. — According to the Memorandum, the citizens of the territories transferred to the civil administration enjoy all rights with the other citizens of the respective countries. Needless to say, rights also impose duties. Duties are the other side of the medal. This is a general legal principle. The question arises whether these persons can freely benefit by their citizen rights, even if they have not so far fulfilled their duties, which they would normally have been obliged to fulfil as citizens of Yugoslavia or Italy. Can they be called to account for having failed to comply with certain conditions stipulated by the Yugoslav or Italian law in the past, or to be more precise, can they therefore be deprived of the rights they would otherwise be entitled to? In this respect we share the opinion of those Yugoslav and Italian jurists who have already stated their views on this problem, namely, that all previous relationships must be appraised, not only according to the former legal provisions, but also according to the actual circumstances under which they lived. Consequently one should bear in mind that since the conclusion of the Peace Treaty with Italy, i.e., since September 3, 1943, from the standpoint of international law these persons have been living under an irregular regime (the German occupation, the military administration, the mandatory authority for the future FTT). This legal interpretation also prevailed in the Yugoslav Parliament, and was reflected in the Law on the extension of the Constitution and other Laws to the territory assumed under civil administration. This law explicitly decrees that the Federal Council will lay down the conditions under which the extended laws will be applied to these persons. For this reason, the Federal Executive Council has elected a special commission to study such cases in every branch of government administration, and to seek adequate solutions.

c) The Trieste national flag. — It is a rule in maritime law that every independent state should have its own flag. Although the FTT was not established, the ships registered in one of the ports of the FTT, either under Anglo-American or Yugoslav military administration did not sail under the Yugoslav or Italian flags, but flew the Trieste flag. By the abolishment of the FTT these vessels automatically became part of the Italian or Yugoslav merchant navy. Needless to say, we must discriminate between ships which were lying in their ports of registration from those which were on the high seas or in foreign ports at that time. Ships sailing in the territorial waters of their port of registration were obliged to change their flag immediately. However ships sailing on the high seas or anchored in foreign ports on the day civil administration was introduced over the territory of their ports of registration, are entitled to finish their voyage under the Trieste flag, provided the change of flag be effected upon their return to their port of registration. This question is clear in practice between Yugoslavia and Italy, and nobody has raised it yet, but it is possible that this problem might be raised by a third country. Third countries are obliged to respect Trieste papers issued by the Military Administrations, as these ships legally sailed with proper national papers and are not in a position to change them before returning to their ports of registration. The question arose in practice, however, as to whether the ships' masters can apply to the Yugoslav or Italian Consul abroad to change their papers, issue temporary documents, and authorise them to change their flag while at sea. In our opinion such a procedure would be entirely correct, there being no reason why the ships should not continue their trip with the temporary papers issued by the consulate of the respective country, if their port of registration has come under the civil administration of one of the two countries.

d) Succession of International Treaties. — The military administrations, each acting on behalf of its Zone concluded certain agreements with third countries on behalf of the FTT. In most cases these are trade agreements and special payments instruments. Now the question arises whether countries which have assumed the civil administration must recognize the validity of the agreements concluded by the military administrations with third countries. This is a particularly sensitive point where Italy is concerned. While the Yugoslav military administration concluded such agreements in the Yugoslav Zone, which to a certain extent means that they were concluded by an organ of Yugoslavia, in the former Zone A such agreements were concluded by the Anglo-American authorities. In international law this is a controversial issue. Usually if a territory



is incorporated into that of another country, the incorporating country is not under an obligation to continue the implementation of international agreements concluded by the former country, with the exception of the so-called real agreements, i.e., those which are for special reasons connected with the territory incorporated. In this respect the Memorandum laid down a general rule having stressed that the instrument regarding the free port of Trieste remains in power in principle. However, as other agreements are not mentioned, there is no solid legal basis for demanding that Italy should carry out agreements concluded by the Anglo-American military administration towards third countries, if she herself does not wish to maintain these contractual relations. On the contrary, we think that it is the duty of Italy to extend her contractual obligations to Trieste also, as concluded in general agreements with third countries, and thus at the same time ensure a *modus vivendi* which will not damage the third countries if they continue *bona fide* to carry out their obligations assumed towards Zone A. For instance, in our opinion, Italy would not be legally entitled to refuse recog-

nition of a balance of a third country, deriving from the clearing traffic with Trieste, or to refuse to recognize the most favoured nation clause to a country which enjoyed such a position under the military administration, until extending the opportunity to that country to substitute its former contractual relations by direct contractual relations with Italy. This means that these agreements should not survive the abolishment of FTT, but that nevertheless, the relations created must be liquidated in accordance with principles of conscience, and the principle that forthcoming events must not be detrimental to relations initiated with third countries. Yugoslavia immediately began applying her international agreements with third countries also to Zone B, while not denying the obligations assumed by the military administration prior to the liquidation of operations deriving from these obligations before the assumption of civil administration. We are only dealing with this matter in a cursory manner, as we believe that it will lose impact as new agreements are concluded with the respective countries after the transfer to civil administration is effected.

Z. ŽUJOVIĆ

## Changes in the Soviet Union

**E**VEN the most distrustful people are beginning to believe that the things that are happening in the Soviet Union seem to foretell social changes. These changes may, on the other hand, be the heralds of a new Soviet attitude towards foreign policy, and this new attitude may bring about important changes in the world situation. In any case the whole matter is worth studying, and the exertion of energy spent on this by diplomats and journalists has not been in vain.

For quite a long time there have not been reports on the so-called «big building sites of socialism» on the front pages of the Soviet press. These were at one time, according to Soviet official data, insatiable consumers of enormous capital. Knowing that great publicity was given to them, and that they were considered to be of the first importance, we are forced to the conclusion that they have been either abandoned or reduced to the smallest extent. This would mean that large sums have been freed and can be spent on other things.

There exists indeed, a very important announcement (TASS), according to which in this year every day a new factory of dairy or meat products is to start work. At the same time, a great campaign has been launched against the neglected countryside and uncultivated fields. Sowing areas have been enlarged, even this year, and according to the plan they are to be further enlarged. Many experts have been transferred to agriculture production (from the non-production apparatus). The peasants' taxes have been diminished, while the state buy-up prices have increased etc. etc.

Agriculture now shares the front pages of the papers with food supplies, raw material and other branches which produce goods for large consumption. According to the general belief, this means a movement in the direction of the improvement of the living standard, and the increase, not only of production, but also of workers' productivity.

These changes contribute to characterising the new Soviet economic policy. They do not condemn industrialisation but, on the contrary, they use the benefits brought by industrialisation.

This new direction of economic development conflicts with the complex, and extremely highly evaluated apparatus created at the time of the old-fashioned opinions and policy («old-fashioned» meaning of a certain time and not given up or surpassed). To help economic development in

this conflict it was indispensable to change the management policy. Being what it was, the old apparatus, with its complexity and conservatism, resisted, and could not be a supporter of the new economic policy.

Though we can only guess, it seems that the changes in the management sector in the Soviet Union are the slowest, just because of the stale and conservative state apparatus, and because of its institutions and conceptions.

In all this process, the old apparatus had to retreat from the struggle with the new conceptions (and evidently with the newly-created reality) of economic development.

The Soviet Minister of Finance, Zverjev, declared in an article few days ago, that 5,750 state institutions which had managed productivity and distribution had been done away with. This number, regardless of the size of the USSR, is enormous, and must astonish those who have been acquainted with Soviet conditions during the last ten years.

The Soviet Minister also gave the basic line which caused the dismembering of the state economic apparatus. The Soviet Minister stated that a great centralized apparatus hampered development, and for the sake of development the apparatus had been limited and the responsibility of the minor authorities who managed economy increased. In other words the decentralisation of economy has been carried out, and this is an attempt to let economy to manage its own productivity.

When we remember that trade was recently decentralised (responsibility was transferred to the minor organs of authority), we may draw the conclusion that in the struggle between the present-day tasks of productivity and the old conception of centralisation the latter has come off worse. This means that productivity is the part of the essential sector, and its reconstruction — looked at from the point of view of the development of the Soviet society — has made a step further towards enlargement and nearer to the immediate producer.

Two things may now happen. On the one hand decentralisation may weaken the old unproductive apparatus and ignore it until it appears again like a parasite and comes into conflict with economic development. On the other hand the new development may impose — in spite of natural resistance — an increase of social control over economy, as well as emphasis on the importance of the producers in managing productivity and distribution.



# North-Atlantic Treaty Organization

## A GENERAL STUDY OF THE ORIGIN, STRUCTURE AND DEVELOPMENT OF THE NORTH ATLANTIC TREATY ORGANIZATION (NATO)

### (I).

#### ITS ORIGIN AND DEVELOPMENT

**D**ISCUSSIONS were carried in 1948, the Treaty itself was concluded on April 4th, 1949, and finally came into power on August 24th 1949. Until quite recently its organization and competences were subject to constant changes. Only then was a decision made to include West Germany into NATO and to reorganize its activity in Europe.

These data are not of a chronological character only. The time at which the Treaty was visualized and put into practice greatly influenced its basic ideas, its objects, its policy and its evolution.

This was the period of international tension and the cold war. The changes to which NATO has been subject (changes as regards its membership, the territory it covers, the changes of its structure and strategy) closely reflect the changes in the policy of the United States of America, in the field of their own security, and in American participation in the defence of Europe.

Now, NATO is a broad international organization with fifteen States as members. Only two of them are not European Powers and the national territory of one of them is mainly in the Continent of Asia. The fact that a great majority of the members of NATO come from Europe is not indicative of those other factors which play an important part in the North Atlantic Treaty. That is why NATO has much greater importance than could be enjoyed by any purely European organization.

On the other hand, NATO is not the only organization for international co-operation, not even in that part of Europe which lies outside the so-called Eastern Bloc. Finally, the members of NATO are active in other organizations as well, and not in NATO only, and these other organizations have more or less the same membership of European Powers as NATO. However, their activity is, to a greater or lesser extent, under the influence of NATO, and all the activities of these other organizations are more or less linked with the activity of NATO and are subject to its aims, plans and aspirations.

The comprehensive character of NATO is the consequence of its concept of defence (NATO being a system of defence) and the concept of defence itself is the outcome of international tension and of the cold war tactics.

NATO came into being at the time when the differences between the Soviet Union and the Eastern Bloc, on the one side, and the United States of America and the Western Bloc, on the other, became acute. These differences were of a twofold character. They exercised an influence in the field of politics (how to liquidate the conditions created by the war) and in the ideological field as well (active propaganda was disseminated by both parties).

The state of international tension and threat to international security were influenced by various factors of a military, political, economic and psychological character. On one side, the conflict between the Western Powers and the Soviet Union as regards the question how to liquidate the political problems left behind by the war became increasingly sharp. On the other side, the Soviet Union did not undertake those measures of demobilization and disarmament which were carried out by the Western Powers. Soviet officially inspired propaganda was stirring up social unrests and disorders in the Western countries in which the feeling of dissatisfaction was already gaining in strength, owing to the difficult economic conditions, and owing to the social dislocations brought about by the war. The Communist Parties in majority of these countries fell under the influence of the Soviet State policy. The manner in which changes in Czechoslovakia were brought about in the beginning of 1948 greatly influenced the Governments in

Western Europe. These Governments were already afraid of social unrest and of political instability in their respective countries. After Czechoslovakia came Yugoslavia in which, however, matters took quite a different turn, though the desire of the USSR to take aggressive measures, intruding in the internal affairs of other States was quite evident.

Such an international situation made the Western Powers feel that not only was their territorial security endangered but their political integrity as well. They were, perhaps, less afraid of a military attack than of the political and ideological threat, which was increased by the disunity of Western Europe, by its dislocated economy, and by general political and social confusion.

In Western Europe some defensive measures were undertaken, but these measures were, in fact, much more measures of political mobilization, aiming at the defence of the political and social system of the West than measures of a military nature.

In Brussels however, a political and military Pact was concluded, which was joined by Great Britain, France, Belgium, the Netherlands and Luxemburg. This was at the same time the first attempt to integrate the policy and defence of Western Europe, and to lay the foundations of European unity.

The threat to Europe did not constitute a direct danger to the United States of America, owing to its geographic position. The American feeling of danger was the product of the general concept of American foreign policy that American security (its international situation and its role as a leading world power) was closely linked with the security of Western Europe which, in its turn, depended on the unity and the economic stability of that part of the world. The United States considered the problem of the economic stabilization of Europe as a vitally important condition of Europe's social stability, which was exposed to the danger of a social revolution, which inspired anxiety even in the United States. This economically minded attitude of the United States could be seen, in the course of 1948, in Truman's doctrine, and later on in the Marshall Plan and in the setting up of its organizations in Europe.

However, this period of American intervention in the economic affairs of Europe soon came to an end. Through NATO, the United States of America became engaged in a system of the military defence of the West. The study of the evolution of NATO will supply us with data showing in what way American policy was changed during the various stages of the cold war.

When the NATO negotiations were initiated, the idea was to form a defensive Pact to be joined by the United States of America and Canada, on one side, and by the States which were then members to the Brussels Pact on the other. The Brussels group already existed as a complete political and defence organization in Europe. This military alliance was in fact to be a regional defence combination covering the North Atlantic area the defence needs of which would be served by such a Pact.

This idea to form a Treaty with the Brussels Pact members was soon abandoned. The talks were soon joined by the neighbouring States, i.e., by Denmark, Iceland and Norway in the North and by Italy and Portugal in the South. These twelve States finally concluded the North Atlantic Treaty.

The territorial concept of the North Atlantic area was thus extended far beyond the geographical limits of the North Atlantic area proper. NATO included, not only the area of the North Atlantic, but the area of the North Sea and that of the Mediterranean Sea as well.

Another extension of the territorial concept of the NATO was made two years later, when Greece and Turkey were admitted to NATO, in compliance with the desire



they expressed immediately after the setting up of that organization.

All Governments were against this territorial extension of NATO, although motivated by different reasons. Some members of NATO saw in it a further obligation to defend territories which were not vital to their security. Such was the case with the Scandinavian countries. Other Governments considered that the admission of Greece and Turkey to NATO would run counter to their own combinations to organize a security system in the Eastern Mediterranean and in the Near East. Such was the case with Great Britain.

Only after the beginning of war in Korea, with its resulting deterioration in international relations, the United States of America became a more active supporter of the view that Greece and Turkey should also be admitted to NATO. A resolution to this effect was passed at the NATO Ottawa session in 1951, and put into effect at the beginning of 1952.

After the admission of Greece and Turkey, the territory covered by NATO included the whole region of the Mediterranean Sea (the European side of it) and the Asiatic territories of Turkey.

After that the NATO was brought into direct territorial contact with the Soviet Union and with some Balkan regions.

Both these extensions of the area covered by NATO are indicative of an evolution of both its territorial and strategic concepts. In this way NATO, originally a regional security system, has become a general security system.

A new problem now arose, i.e., what should the role of West Germany be in European defence — European defence being the primary object of NATO. As far as the United States was concerned it saw the best solution of this problem in the direct admission of West Germany to NATO. This proposal was however, rejected by the European allies of the United States.

The problem of admitting West Germany to the NATO was quite different from previous cases. It did not mean, as in case of Greece and Turkey, the inclusion of new strategically important territories in the defence system of the West. The territory of West Germany, being the territory in which the Allied armies of occupation were already stationed, had already been dealt with under the North Atlantic Treaty clauses. To admit West Germany to the NATO meant to include the economic and military strength of this country. That meant that the right to rearm and the right to be treated as a sovereign State had to be restored to West Germany. The European Allies were not quite ready to restore these rights to it although the Government of the United States of America was of the opinion that the members of NATO should do so.

This disagreement resulted in prolonged negotiations in order to find a solution of the following problems: to bring the state of Allied control in West Germany to an end, to rearm that country and to admit it to NATO, and at the same time to give acceptable guarantees to Western Europe that the new military strength of West Germany would not be directed against those territories.

There are several aspects of the German problem, although the problem itself is a single one. These different aspects were treated in a series of articles published by this periodical: in those discussing the problem of European co-operation with regard to its particular aspects and in those discussing the Brussels and London Conferences on Germany. In the present article we shall discuss the problem only in connection with the inclusion of West Germany in NATO.

Some efforts were made to solve this problem within the framework of the European Defence Community, in accordance with the principle of West European integration.

This solution was not accepted by France, and had to be rejected.

At the Conference recently held in London, a compromise<sup>1)</sup> replaced the European Defence Community project. According to the new compromise, West Germany will directly join NATO but at the same time she will join the West European Union (together with Italy), in accordance with the revised text of the Brussels Treaty. The control of rearmament and the disposition of the military forces of all the members of the West European Union would be organized within the framework of the Union itself. The influence of this compromise on NATO will be discussed later on when dealing with NATO itself.

The effects of NATO are not limited to this broader system. NATO is, on the one hand, a special system of collective security but, on the other, it is only one segment of a broader and more general system of collective security. NATO is implemented by a system of American military bases, bilateral agreements and guarantees, or by broader defence organizations. The part played by the United States in these broader defence organizations is similar to that played by them in NATO, but the military organization of these other systems is not so technically advanced as is the case with NATO. The system is in the process of evolution. Within the framework of NATO, the United States is constructing bases for the use of military aviation, building transport facilities and supply bases in the operative and in the rear region of NATO. The United States of America is also building some other military bases in accordance with special bilateral agreements on the territories of the countries which are members of NATO but also on the territories of some other countries which are not members such as Morocco, Spain, Libya and Pakistan. The United States has concluded defence agreements, guarantee pacts or has built military bases in other parts of the world, chiefly in the Far East, and she has concluded agreements with Australia, New Zealand, the Philippines, Japan, South Korea, and in combination with some European and Asiatic countries, in South-East Asia, etc.

Sufficient data are not available to enable us to say what the relations between NATO and the above mentioned special groups are. No formal ties exist but in politics there are other ties, not only formal and legal ones. This American defence system in the remote parts of the world, confronted with quite different problems, has no relations with NATO, although such a relation might be brought about in case of a general conflagration. However, if we treat NATO as the central defence organization within the system of collective security, and within the system of military and defensive policy of the United States of America, then this whole complex of military measures, undoubtedly, becomes a strategic supplement to NATO, extending far beyond its territorial limits. To sum up, there is a centralized system of defence policy and a world collective security system. Besides the Atlantic and European influences, there are some other forces of world-wide security policy in question. All these combinations have one thing in common: in all of them the United States of America plays the chief military and economic role.

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<sup>1)</sup> See the article »London Conference on Germany« Review of International Affairs, October 16th, 1954, №109.

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**(IN THE NEXT ISSUE:  
THE PROBLEM OF REGIONALISM)**

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# PARLIAMENTARY LIFE

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## New Forms of Social Management

SOCIAL ownership and the socialist State (the old, »classical State« must undergo a change and gradually »with away«) are bound to be based on new principles and bring up new social and political systems, especially so in the field of management of particular public and other social functions and services. These changes are especially characteristic and important in the field of public education and that of science and culture. The situation of schools and other educational, scientific and cultural institutions is inevitably becoming different from that in the old State. An evident consequence is that the system of management of all these institutions must be altered. Schools and other educational institutions, theatres, museums, libraries and other cultural institutions, as well as scientific institutes, formerly run, privileged or controlled by the State are now assuming the status of social institutions, being independent to a considerable extent. This independence is primarily to be seen in the fact that these institutions are no longer a component part of the State authority. They are no longer institutions falling within the province of the State Administrative Law. This socialization of schools and other educational and cultural institutions is the consequence of the socialist concept that a socialist educational and cultural policy cannot be pursued under the patronage of the State. The educational system must neither be the monopoly of the State nor be controlled by the State administration. This Socialist concept is an outgrowth of its fundamental ideological principle, the core of it being humanism and freedom of man. This concept is also a result of the fact that Socialism, as a social order, is a necessity which promotes scientific work in order to improve the welfare and the cultural progress of the masses. If scientific work is to be fruitful and effective, it is of vital importance to secure freedom of thought and freedom of scientific creative work. No successful scientific work is possible unless lively and unfettered ideological and theoretical discussions and conflicts of opinions are tolerated. An atmosphere of intellectual and moral freedom, and the free initiative of individuals and collectives; the right to search, to carry out experiments (making some inevitable mistakes) — all these are essential if scientific work is to produce useful results.

This fundamental change of the concept and regulation of the educational and cultural functions of society (with the resulting change in the situation of educational, cultural and scientific institutions) was bound to lead to a new method of management of these establishments. This new method of management is in the process of being introduced in Yugoslavia, in a wide field of education and culture. There is a new technical term which is now used in theory and in the social life of Yugoslavia, to denote this change. It is »social management« (društveno upravljanje). Generally speaking, social management implies an extension of the formerly instituted self-management in schools, educational, scientific and cultural establishments. The meaning of the newly-introduced principle is that the management of these institu-

tions is the responsibility not only of educational, scientific and other collectives, or of their representatives, but also of citizens who are not directly engaged in these institutions. These citizens are qualified to assume this responsibility because they are engaged, elsewhere and independently, in scientific, cultural, pedagogical work and in public work in general.

This is only a simplified »definition« of the term as applied to the management of schools and other educational institutions. Social management is, however, the organizational and managerial principle of a much wider field of application. It covers cultural and scientific work, health services and other social services (social insurance, social institutions, the management of large, residential units, excepting smaller apartment houses, which are managed by their owners, etc.). The principle of social management is being introduced in all these services and in all fields of social and cultural life. The forms in which this principle is being put into practice, however vary greatly. These various forms are the consequence of the specific characteristics of these activities, so that it is impossible to apply the same form of management in theatres and in schools, and still less in social insurance institutions, etc. The system of social management, although always an extension of the social foundation and social responsibility of the managerial organs, is and must be of very different form and of a varying degree of socialization of managerial bodies.

Even in one and the same field of activity, as for instance in schools, there is not, and cannot be, any uniform way of management. Elementary and secondary schools, on the one hand, and Universities on the other, must inevitably be managed in different ways. This is obvious from the Bill on the Management of Elementary and Secondary Schools now under discussion before the Educational Committee of the Federal People's Assembly. The Law on Universities laid foundations for the social management in these scientific and the highest educational institutions of Yugoslavia. Now, when the University and Faculty Councils and Boards, rectors and deans have been elected, the whole system of management has begun to function in the Universities. The system of social management, as planned to be applied in elementary and secondary schools, has some characteristics of its own. This is to be seen from the Bill now before the Assembly, and from the discussion carried on by Educational Committee. We are entitled, therefore, to speak of the enactment of a new system of social management in the field of public education.

The social management of these schools, as laid down by the Bill and without going into details, comes to this:

Firstly, social management shall be introduced in all schools for general education, and in those for occupational training which can be treated as elementary and secondary schools.

Secondly, the Schools shall be directly managed by the following three organs: (a) the School Council, (b) the



Board of Teachers and (c) the School Director. The School Council, like the Faculty council, is a body made up of the members who are not engaged in the school work, and of members elected by the Board of Teachers. The Bill provides that one part of the first group of members are to be elected by the citizens at their meetings which are to be held on the school premises (meetings of electors) and the other part is to be elected by the People's Councils of districts, towns and villages. The School Councils are made up of 5 to 15 members. A majority of School Council members is to be elected at the meetings of electors — this is to hold good for elementary schools.

The Councils of schools which give occupational training are to be implemented by members elected by Councils of Workers, by enterprises and by self-governing bodies of those economic organizations which take an interest in such schools. A certain number of School Council members will be elected by the teachers in their midst. The School Director will, *ex officio*, be a member of the School Council. There is now a suggestion that a certain number of pupils should be also elected to the School Council. We refer, of course, to secondary school pupils. The pupils would elect, out of their number those who would represent them in the Council. The proposal of the participation of pupils in this organ of school management is just another result of the rights which the youth is acquiring in modern society. Moreover, Socialist democracy makes it necessary that man, in all the grades of social organization, and wherever it proves possible, should be brought up and educated in such a way as finally to become a manager, the sole organ of social management. All the teachers of a school form the Board of Teachers. The highest representative body of the territory to which the school belongs, i. e. The People's Council of the village or that of the town or district, will appoint one of the teachers to fill the post of school director.

Thirdly, each of these three organs has its share in the management of the school. The School Council is primarily responsible for the managerial policy. Consequently, the Council supervises the total activity of the school, and takes measures necessary for the adequate education of pupils; discusses the results of the school work; provides financial resources; engages teachers and makes the preparations which are necessary for successful school work; makes estimates for the school budget; takes care of the health and social protection of pupils; confirms the school regulations and takes care that these regulations are strictly applied. The Council holds sessions which take place three times a year. The President presides over the work of the Council. The decisions reached are binding both on the Board of Teachers and the Director. The Council is elected for a two-year period. The Board of Teachers is solely responsible for the task of educating the pupils. The Director represents the school; organizes its work; puts the decisions of the School Council and that of the Board of Teachers into practice; he is also the chief administrator of the school. In addition to this, he checks the legality of acts of the other two organs. In pursuance of this right, he is entitled to suspend the decisions of the School Council and that of the Board of Teachers if he considers them to be contrary to the Law. The suspended decision is submitted to the School Council for its consideration, if the decision was made by the Board of Teachers, or to the administrative and educational organ of the People's Council of the town or district, if it was made by the School Council. The final decisions are made by those organs to which the decision is submitted for consideration.

Fourthly, the social management of schools does not include, though it relies on, the various forms of internal school work and on the relations between the school and the community in which the school works and its pupils live. There are, of course, the Councils of Teachers engaged in the work of each individual class. Such Councils exist in almost all schools in the world. In addition to these Councils there are some other forms of closer collaboration between the pupils and the teachers of a class. Meetings attended by parents and teachers alike are also regularly held. A regular annual public meeting is held at the end of the school year. The Bill also lays it down that associations of experts (those of pedagogues, those specialized in the care of children, etc.) and the youth organizations are entitled not only to discuss various problems which may arise from the school work, but also to propose measures calculated to promote the school work and to request the

convening of the School Council. The aim of this internal democratization of the school work, and of its general and ever-increasing responsibility towards society is to make the schools open and free social institutions for the education of young men. Of course that all of these assumptions are not new, and some of them have already been put into practice in certain foreign countries, in spite of the fact that the schools in these countries are run by the old administrative organs. But all these implementations of the Yugoslav school system are necessary in order to make the new system a complete whole.

Fifthly, the elementary and secondary schools will not exclusively be managed by their internal organs. Whereas the Faculties and Universities, owing to the nature of the lectures delivered there, and owing to the two-graded hierarchy of these institutions, are completely managed by the school organs, so that the Councils of the Republics exercise only control over the legal aspect of their work, — in the elementary and secondary schools some administrative rights are exercised either by the People's Councils or by the educational and administrative organs of the Republics. The People's Councils do not take a direct part in the management of schools, but they regulate, in accordance with the Law, the way in which the schools perform their tasks; they establish schools; secure financial means within the framework of the village, town and district budgets, and give their consent to the school statutes. The educational and administrative organs of the People's Councils appoint teachers, carry out school inspection and take other measures which are necessary to the continuous and law-abiding work of the schools. The educational and administrative organs of the Republics work out the curriculum; approve textbooks to be used in schools; study those problems which are important for the progress of schools and for the improvement of the educational system; propose adequate measures — unless they themselves are entitled to enact these measures.

Both local and republican councils are corporate bodies. The members of the local councils consist of local councillors and citizens elected by the local representative bodies. Republican educational councils are made of educational, pedagogical and other experts elected by the Republican Executive Council. The meetings of the educational councils are convened by the secretary, who also carries out their decisions. The secretary is an official appointed by the Republican Executive Council. Although they possess the characteristics and authority of the State administration, these two organs are, in fact, no more ordinary administrative organs of the State. They are social or para-social, or para-State organizations.

Social management has already been put into practice in some parts of Yugoslavia. The newly drafted system makes use both of the good and the bad experiences of the past application of social management. The new Bill has worked out a comprehensive system of management to be applied by all elementary and secondary schools. Although a radical reform of the school system is imminent, social management will at once be put into practice in all existing schools. It may be said that social management is one of the first and most important measures of the future school system.

Another form of social management, widely discussed lately, refers to the management of publishing enterprises. A special Act will deal with this problem. Social and economic organizations, institutions and State organs, just in the same way as groups of citizens, are all entitled to establish economic enterprises, including those engaged in the publication of books, magazines and other periodicals. Publishing enterprises, just like all other economic enterprises, are economic organizations managed by workers' self-management, i. e., by Workers' Councils and by Management Boards.

Publishing, being of such importance to the education and cultural progress of the people, cannot, under present material and cultural conditions, exclusively be left to economic organizations. The practice of some publishing enterprises has clearly proved that they attach greater importance to the profit-making than to the cultural and educational aspect of their activity. To this may be attributed the appearance of worthless literature and of pornographic and other papers which are liable to exercise a harmful effect on the education of young persons. All countries have to solve similar problems, and all civilized communities are fighting, in one way or another, against such harmful practices. It is an indisputable fact that a



really high cultural level of the community and of its individuals is the best weapon in the battle against this deleterious and harmful literature.

Human society however has nowhere reached such a high level of culture, although it is heading towards such an aim, especially in Socialism. That is why various forms of regulation are required in order to bring the abuses of the publishing activity to a minimum. But special care should be taken that, by so doing, the publishing activity should not become bureaucratic and ascetic. These forms of planned and external regulation of publishing activity correspond to the various degrees of development and to the differing social and political systems in various countries. There are, however, some ways of regulating it which are common to all the various social systems.

One interesting way of solving this problem consists of the institution of so-called Publishing Councils. In the course of the few last months lively discussion on this subject has been carried on in Yugoslavia. It is expected that a Law on Publishing Enterprises will be introduced in Yugoslavia, according to which Publishing Councils would be established in all publishing enterprises. They would be nominated by the founder of the enterprise from among cultural, scientific, and other public workers, so as to fit the special needs of individual enterprises.

The Publishing Council would not replace the existing organs of workers' self-management. It would not assume any business and administrative responsibilities. The Council would not control the Workers' Councils nor the Management Board. Its only function would be to take part in the making of decisions as to what books and periodicals are to be published. This same task falls within the competence of the Workers' Councils. The Workers' Council and the Publishing Council would jointly decide upon a publishing program which would meet both business and cultural requirements. In case of disagreements both parties would be entitled to veto the decision.

There will be other relations between the Workers' Council and the Publishing Council. There are plans to establish Publishing Funds in the different Republics. There are also plans to form some sort of fund

within the enterprises. These funds would be subsidized, not by the enterprises but by society as a whole, i. e., from that part of the proceeds (social tax) which the enterprises are called on to pay to the federation. The Publishing Council would be entitled to ask financial help from these funds in order to publish a book of cultural value the publication of which was vetoed by the Workers' Council, this veto applying only to the financial side of the problem. If the financial aid is received there would be nothing to prevent the publication of the book. On the other hand, the Workers' Council would also be in a position to neutralize the effects of the veto lodged by the Publishing Council. If no agreement about the veto were reached, the Workers' Council could refer the problem to a Commission of Arbitration which would be formed within the Association of Publishing Enterprises. Half the Members of this Commission would be nominated by the Association and the other half, including the chairman, would be appointed by the President of the Republican Education Council. The decision of the Commission would be final and a book whose publication is favoured by the Workers' Council could be published later. This qualification of the right of veto is not primarily calculated to support the rights of the Workers' Councils. It is intended as a means of fighting against the too narrow-minded policy of some Publishing Councils. This measure should increase the possibility of publishing those works which are, perhaps, not of the highest literary value, but in which modern civilized men may nevertheless be interested.

From the standpoint of management, we are dealing here with the inclusion of the elements of social management in the system of workers' management. This form of social management is just an implementation and not a replacement of workers' self-management. We might even speak of the transitory character of the social management of publishing enterprises, and say that such a system is conditioned both by the corresponding stage of development of the publishing activity and by the general social and cultural development of the country. In any case the system of social management, which is being introduced in the fields of education, science and culture, helps to solve an acute cultural problem without violating the basic principles of workers' management in economic organizations.

## *„Kada Dimić“*

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# ECONOMIC PROBLEMS

S. BRANKOVIĆ

## Economic Co-operation of the Balkan Countries

THE economists of Greece, Turkey and Yugoslavia will hold a joint conference in Salonika at the end of November, as part of their activity for the strengthening of economic cooperation between the three countries. The previous meeting, held in Athens, in which only Greek and Yugoslav economists took part, decided that pending the next meeting, steps should be taken for a thorough study of the problems of economic development and economic cooperation of the three Balkan countries, also defining their attitudes on various questions. Several meetings and discussions were held in the Society of Yugoslav Economists, when the attitude of our economists was given definite form. The task of the next conference will primarily be to harmonize the views of the economists of the three countries, and then look for opportunities and ways of solving concrete questions. In this article we shall endeavour to outline the views of the Yugoslav economists, which crystallized in the course of the discussions.

### STRUCTURE AND DEVELOPMENT OF THE ECONOMIES OF THE BALKAN COUNTRIES

The economies of Greece, Turkey and Yugoslavia did not develop at the rate which is characteristic of most European countries, especially those of West Europe. Owing to historical conditions, and other circumstances, both internal and external, they could not make such rapid economic progress as would cover the path of the more advanced countries during the industrial revolution and after. Industrial development in the Balkan countries began late, and was for a long time strictly localized to a few important industrial centres (in Greece — Athens and Piraeus; in Turkey — Istanbul and Izmir; in Yugoslavia — Slovenia and some individual basins in Croatia and Serbia). This characteristic lagging behind the progressive countries of the world, was parallel to the lagging of individual regions in the country itself, and despite certain significant successes scored in all three countries during the last few years, they have still remained under-developed, and are preponderantly agricultural and raw material countries.

The employment structure of the active population and the forming of national income clearly show the level of backwardness of Greece, Turkey and Yugoslavia. According to calculations of UN experts, the income per person in Yugoslavia in 1949 was 146 dollars, in Greece 128 dollars and in Turkey 125 dollars, as against 482 dollars in France, 733 dollars in England and 1,453 dollars in the USA. The number of those employed in agriculture in Greece consists of over half the active population, and in Yugoslavia and Turkey about three-fourths, while in the West European countries only about one-fifth of the entire population is engaged in agriculture. The share of agriculture in the total national income surpasses in Greece and Turkey the share contributed by any other economic branch, while in Yugoslavia the industrial share in the national income has increased to some extent only during the last few years. Although agricultural production in Greece and Turkey has made considerable headway, much remains to be done in

all three countries. The backwardness of the three economies is directly reflected on the level of the national income and income per head of the population, as well as on the level and structure of personal consumption, the level of general and technical culture, educational and health conditions etc.

Productivity of labour in these countries is considerably behind that of the advanced countries, in the sphere of agriculture and industry as well as in other branches of economic activity. Although all three countries have considerable sources of energy, especially Yugoslavia and Turkey, these are not exploited to any great extent. According to data published in the European economic survey for 1953 (ECE), the consumption of energy in 1952 expressed in tons of coal was, in Turkey 0.3, in Greece 0.3 and in Yugoslavia 0.4 — as against the average of 2.8 in Western Europe. The consumption of electrical energy per head of the population was in the same year 50 KWh in Turkey, 110 KWh in Greece, 160 KWh in Yugoslavia — as against an average of 1,230 KWh in the West European countries. This means that the working capacity of a person in Western Europe has been strengthened in the process of production several times more than in our countries.

According to data published in the Statistics report of FAO, the yield of wheat per hectare in the period 1950/51—1952/53 averaged in Greece 10.2 per hectare, in Turkey 10.7, in Yugoslavia 10.8, as against 20.9 in the West European countries. If one should also take into consideration the quantity of labour employed in agricultural areas, then the discrepancy is far greater. Our countries pay for their backwardness by an unfavourable exchange relation on the world market. The low productivity of labour in the under-developed countries lies basically in unequal exchange and the exploitation of the less developed countries by the more developed ones. The products which are exported from our under-developed countries involve much more labour than the export products of developed countries.

The structure of foreign trade of all three countries directly reflects a backward economy. The great dependence on the export of a comparatively small number of articles, in the past caused great damage to the whole economy of our countries, owing to the great fluctuation of prices, volume of exports and income from exports. As in the case of other under-developed countries, our exports showed a specialization on a very narrow basis. Until quite recently the most important articles, which constituted over one half on the total exports were: for Greece and Turkey — tobacco and southern fruits, for Yugoslavia — timber and livestock. The last few years have recorded a significant diversity of exports, but the results are still far from satisfactory. The fluctuations on the world market of only a few of the most important articles have very unfavourable consequences both for the payment balances and for the national income as well as for the accumulation rate, investment activity, monetary stability etc.



## PROBLEMS OF THE FURTHER DEVELOPMENT OF OUR ECONOMIES AND CHANGE OF THE EXISTING STRUCTURE

The conditions of development of the under-developed countries considerably differ from those which facilitated the economic advancement of the West European countries. They had wide markets on which competition had not yet reached the present proportions. Most of them then built extensive colonial empires where, in one way or another, they secured monopolies. The domestic accumulation grew regularly, thanks to outside sources, at least through ensuring super-profits in goods exchange. The growth of domestic accumulation in the present under-developed countries, thanks to foreign assistance, is now going on under quite unfavourable conditions of international exchange from the viewpoint of the under-developed countries, but the under-developed countries are now confronted with very sharp competition both on the internal and on foreign markets, which hinders the introduction on a larger scale of many new better quality articles, especially in serial production. Subjective difficulties also make their appearance. The low level of technical knowledge and experience among workers in the process of production constitutes a separate problem. All these difficulties confront the three Balkan countries, and they can be overcome only if the creative forces of the people are mobilized and successfully guided — a process in which economic cooperation will play a special role.

Under actual conditions, the question of the economic development of our three countries implies in the first place the problem of industrialization, all the more so as there are no great opportunities in Yugoslavia and Greece for the extension of agricultural surfaces. Industrialization is a very important condition also for the rapid development of agriculture; on the one hand because of the possibility for modernizing agricultural production technically, and on the other because it creates a wider market for agricultural products.

The raising of the economies of our three countries and a change of their economic structure is an urgent task, calling for immediate attention. All three countries possess the necessary prerequisite — natural resources — on which they can rely for a rapid and wide economic development. Although our lands have not been explored thoroughly, the results of previous prospecting show that our countries, especially Yugoslavia and Turkey, have extensive ore wealth, and in fact in all three countries there are considerable deposits of iron ore, manganese, magnesite, chromium, zinc... In Yugoslavia and Greece there are large deposits of bauxite as well as molybden, pyrite, barite, asbestos. Yugoslavia and Turkey have rich copper deposits, while Yugoslavia is well-known for her lead.

The question of general economic development cannot be considered apart from the question of improving the backward areas. These are really two problems which are conditioned by each other. The problem of the backward areas is a common problem for all three countries. In addition to the releasing of new material forces and intensive inclusion in the general economic life, their improvement will also open much wider perspectives for progress in the areas which are developed.

The process of economic development involves the exertion of special efforts for the development of agriculture.

Although we have before us the experience of the developed countries which in the last century already started to solve the most fundamental problems (such as the abandonment of natural production, the introduction of intensive crop rotation, mechanization, and the application of other agro-technical measures), there is special significance in the exchange of experiences between our three countries, in view of the similarities of soil, climatic conditions and working habits. The experiences of Turkey in the mechanization of agriculture, of Greece in the intensification of agricultural production, of Yugoslavia in the linking of industrial production with agricultural needs, which will become even more intensive in the future — all these are certainly of great interest. Despite specific conditions, mutual study of experiences, with a view to discovering ways and means for the further quicker development of agricultural production, is in the interests of all three countries.

A special problem is the utilization of the unemployed or insufficiently employed manpower in agriculture and this is, above all a question of including reserve labour in pro-

duction which can greatly contribute to economic progress. The ways are numerous, but the most diverse difficulties crop up regularly. It would be the most natural process if this labour could join industry, but as none of our countries can hope to see in the near future such a rapid development of industry as would absorb surplus labour, the question is how to provide employment in various other, non-agricultural branches and how to exchange experience in this direction, especially in regard to employment on such works as would later facilitate inclusion in industry.

Like all under-developed countries, Yugoslavia too has plenty of labour at her disposal, and her natural resources also offer very wide possibilities, and the real problem consists in the utilization of the economic resources on a much larger scale than up till now. This would include the extension of transport connection and services, the opening of new mines and the extending of old ones, the building of factories for processing raw materials, the mechanization of agriculture and the large-scale use of chemical substances, the technical training and advancement of the workers etc.

All these problems appear primarily as financial questions. Naturally we must rely in this respect above all on our own forces and make constant efforts to mobilize them as completely as possible. However, development will be considerably accelerated if it is constructively supported by the developed countries, both in regard to financial means and various technical forms. The question of our development is to a great extent the question of Europe, to say nothing of the question of world economy as a whole. Aid from outside is important not only for increasing investment means but also for overcoming difficulties which crop up in the payment balance when large investments are made in construction. We must always, however, bear in mind the fact that the fullest possible mobilization of internal sources is necessary also for the effective utilization of foreign aid.

A problem common to all three countries at present is the deficit of the payment balance. Whereas in the post-war period a certain unbalanced situation was created in the payment balance through assisting and accelerating reconstruction and building, the degree of indebtedness of the three countries to the rest of the world as well as the deficit of Greece and Turkey in the European Payment Union, fell to such a level as to call for urgent steps and efforts first to lessen the deficit, and then to liquidate it. These are special instances which call for cooperation.

### POSSIBILITIES AND FORMS OF COOPERATION

The basic factors on which the need for mutual economic cooperation is based are:

- a) their geographic connections, and the fact that the three countries are complementary to one other,
- b) the fact that the three countries are at the same level of economic development, and up to a point of similar economic structure which presents more or less similar problems of economic development,
- c) the friendly and allied relations embodied in the political and military alliance, which should be deepened by way of closer cooperation of the three countries in the economic and other fields.

Up till now cooperation in the economic field between the three countries, has developed considerably in the exchange of goods, but there are possibilities for putting economic cooperation on an even wider basis.

Our cooperation should develop in the direction of studying and settling the concrete economic questions on which depend the economic and general development of the three countries. There is no sphere of economic life where cooperation would not be useful. Already in the present phase of development mutual cooperation may bear fruit in a series of questions. Of course, efforts must be made to discover differences as regards importance and significance, as well as concrete possibilities in the individual stages of development. Hence the continued activity of experts of all three countries is needed in making economic analyses so that definite possibilities and most suitable forms may be discovered for every occasion.

Already now it would be a useful thing to exchange experiences concerning the development of individual economic branches, characteristic examples being the experiences of Greece and Turkey in the advancement of agriculture and certain branches of industry, and the experiences of Yugoslavia in industrialization, with emphasis on heavy industry.



It would also be useful at this moment to examine the question of the coordination of further development on the lines of the most advantageous exploitation of existing conditions in each country, from the viewpoint of meeting the common requirements of the three countries in some articles. One or two of the three countries might reckon on the one hand with the productive capacities of certain branches of the remaining country or countries, and on the other hand, with the possibilities for development of certain factories which will work for the market of the allied countries. This would help to achieve the widening of the market, and would undoubtedly be useful for all three countries. In close connection with this is the question of certain preferential tariffs, or some kind of wider protectionism.

Both now and in the future cooperation of the existing enterprises of the three countries may be of very great significance — for instance goods may be sent for processing and finishing, unengaged factories utilized etc. The lack of raw materials or other reasons lead occasionally or for a longer period to the non-utilization of works in certain branches in individual countries, and this may, in many cases, be avoided by cooperation.

Although goods exchange between the three countries has greatly increased during the last few years, the further extension of this exchange will certainly have special significance. A very important task of the economists of each of the three countries is to work actively on acquainting those interested both with the export possibilities of the other two countries, and with opportunities of selling goods to them. This presents great although frequently hidden possibilities. If the three economies are coordinated in their development, prospects for the expansion of goods exchange will become even greater, though a very important problem still remains — that of mutual crediting.

As regards goods exchange with the rest of the world, many examples might be given to show the losses suffered by our countries owing to non-coordinated appearances on the world market. Herein lies perhaps one of the most urgent tasks for the three countries: cooperation in preparing articles for participation on foreign markets, as well

as joint appearance itself on foreign markets, should be definitely profitable.

In the field of transport, especially railway transport, there existed various forms of cooperation of Balkan countries before the war. Certain contacts and agreements in this direction have now been renewed, and more significant expansion of cooperation in the establishment and maintenance of transport connections and services in the railway, marine, road and air transport — is expected in the future, and an extension of tourist connections is also expected. Awaiting our attention is a wider action for the establishment of firmer ties and coordination of work between the various economic and technical schools and institutes and the question of founding some common schools, and particularly institutes, will also claim our attention.

It would be useful to examine the possibilities for the joint financing of certain projects which might be used either by all three countries, or by two of them. In such a case we could perhaps reckon on some aid from abroad, primarily in the form of credits from an international financial institution. The question of setting up some kind of tripartite financial institution, is also to be a subject for discussion.

Cooperation on a regional basis implies under present conditions, a need for cooperation in the wider international organizations, primarily in the UN Economic Commission for Europe. This Commission is now specially at work on the examination of the problems and the coordination of development of the South European countries, including all three Balkan countries.

The strengthening of ties and cooperation between Turkey, Greece and Yugoslavia is not only the right path towards the acceleration of economic development, but also constitutes an important opportunity for the strengthening of the position of these three countries, in the world at large. Of course difficulties are certain to crop up in this connection, but they will be overcome if all those who wish for the strengthening of the economic forces and friendship of our three nations, have enough goodwill to make persistent efforts in that direction.

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# LETTERS FROM ABROAD

Clovis MAKSOUD

## The Arab Revolution in Quest of a Direction

RECENT developments in the Arab World indicate a growth of social and political consciousness. Simultaneously, imperialist and reactionary forces are increasing their pressure. What will be the outcome of this conflict depends largely on the direction the revolutionary situation takes. That there is a will to change the foundations of Arab polity will not be questioned. The nature of the change is what matters for all concerned. The answer will be provided by those who shall ultimately act as the vanguard and spokesmen for this Arab »general will.«

There are several responses to the challenge that political, economic, and psychological dislocations present. Each claims to provide the answer that will resolve Arab frustrations. Groping for adequate leadership the people listen attentively to the relatively new voices that are being raised. The intensity of political ferment that Western observers call »confused politics« is but a reflection of an intrinsic realization that their choice of direction has a sense of finality. Their committal, the Arabs rightly believe, will set the course for their developmental energies to be channelled in a way they hope will bring about their salvation. Their committal is in itself, a fundamental break from their present pattern of life that a reconstruction of it will in the light of rapid historical movement, be impossible. The break their committal to a revolutionary direction will constitute is of far-reaching consequences as in reality it is a political mutation — a leap — and not a slow evolutionary process. There is a conviction that the step they will take is a point of no return. This explains the caution that many mistakenly consider as the Arab's unwillingness to change. This caution is, in my opinion, a bid for time to examine the substance of the direction they will follow rather than reluctance to abandon what exists. This hesitancy, though it does not suit a revolutionary temperament is useful and necessary. It prevents romantic adventurism and utopian escapades. It enables the doctrinal formulas to diffuse their conceptual schemes on a broader scale. In view of the recent crisis in the major competing ideologies excepting none, revolutionary skepticism seems to be, temporarily at least, a healthy practice for the Arabs. It might provide them with a disposition for eclectic solutions, it is true but it might pave the way for socialist pluralism that seems to offer the reasonable synthesis of eclectic attitudes and the desirability of socialism. I confess— though I shall not say that socialist pluralism should become the creed of Arab direction, I am ready to give it a theoretical test as to its application to our conditions in the Arab World.

Social Democracy became an attraction to some segments of the Arab Intelligentsia and the nascent petty bourgeoisie. It took the form of a progressive program advocated by military dictatorships in Syria and Egypt. Many progressive Arabs still consider such dictatorships as a »necessary stage of democratic development«. In this respect, such an attitude has historical roots. In 1882 the army in Egypt, in alliance with the anti-imperialist nationalists, staged the abortive revolt against British Occupation. The alliance between the military and the progressive civilian revolutionaries took place and acted as the precedent that was to prove fatal in subsequent revolts to the radical forces. The failure of the revolt made the ineptness of such alliance less evident as the Arab army group did not have

the opportunity to abandon their progressive counterpart in the aftermath of the revolt. This precedent — the alliance — which never matured to the extent of proving its futility, remained a temptation for many to repeat. Actually, in the Arab World it was repeated in 1936 in Iraq. The Ahali Group, which included the various shades of Iraq's progressive opinion, started its attack on the government, and the iniquities of the social system. It could not implement its demands as it lacked political power necessary for its control over the government's machinery. Though the group had little electoral strength, its leaders were convinced that they would not be opposed by the people. But the forces of reaction had certain advantages that made any attempt to overthrow the government suicidal, unless such an attempt was executed by one of the governmental constituent components. The government's authority, rested not on popular consent but on (a) political disintegration through the tribal system and other related factors; (b) the British rule; (c) the army and the police. The Ahali Group, new in its leftist training inexperienced in party organization, sincere and enthusiastic in its desire for social justice but with no coherent ideology, calculated that if one of the components of the government's authority is brought against the government itself, the latter will disintegrate and a progressive program will have a real chance to become actualized.

The British, seeking to maintain their economic and political privileges, would not support such a group whose first item is the nationalization of the oil resources. Besides a foreign imperialist power cannot continue its preponderant position except through an acquiescent regime who relies on the outside as a source of power.

The tribal system provided the government a source of strength as the tribal chieftains, relatively few in number, could be easily satisfied. The regeneration of the Bedouins required an overhauling of the whole political and social set-up and a simultaneous process of re-education. This meant time — a long time.

The Ahali Group concluded then that the army was the only hope to effectuate a coup-d'etat and remove the ruling class as an obstacle to social progress. They relied on reports — which were true — that some commanders were anxious to realize political ambitions. There were reports of friction between the officer corps and the cabinet and, to some extent, there were liberal and nationalist officers who resented the total subservience of the government to British designs. To make the story short, the coup-d'etat succeeded and a cabinet was formed with the liberal Hikmat Suleiman as Premier and the socialist Kamel Chadurchi as Member of the Cabinet. Bakr Sudky, the Commander-in-Chief, and his officers exercised the real power. For a while, the alliance worked but gradually socialist and progressive elements were eased out and many of the officers accused the Ahali Group of Communist leanings. The truth of the matter was that the Army was not as interested in social justice as in settling political accounts. However, they are not to blame. The Ahali Group realized, too late, that putschism is not a means for socialism to acquire power. In addition, patience in preparing social revolution is an investment in providing it with firm and sound foundations. Their greatest mistake, one which is



often being repeated in Arab progressive circles, is that they treated the army as an institutional component rather than a human one (made up of peasants, workers petty bourgeois) in the body politic. Treatment of an army in non-socialist circumstances as institutional rather than human enables the army as such to play alternate roles, depending on the leadership. The leadership of the armed forces can be controlled in most cases and, therefore, it is a grave mistake to calculate the army in its institutional form as a fait accompli.

The Ahali Group in more recent developments, became aware of a basic and much forgotten assumption — there is no shortcut to progress! This, unfortunately, was not realized in many other parts of the Arab World.

The defeat of the Arabs in Palestine unnecessary as it was, brought forth strong protestations against the mismanagement of the ruling circles. The first to feel the shame of defeat were the armies. A political account arose and needed settlement. In the midst of this psychological and political confusion in the aftermath of the Palestine war, the people's discontent, though strong and fearless, was not organized. It rallied instead behind the Zaim coup d'état in Syria in March 31, 1949. Damascus became the new Mecca for the liberals. Public dissatisfaction, army's indignation and the obvious corruption of the governing classes made the coup possible. Great changes were promised. Radicals who doubted the validity of such spontaneous programs evolved on the spur of the moment, were isolated from the less profound radical opinion. In fact, men like Michel Aflak and Salah el Bitaar leaders of the Socialist Baath, were put in prison while others, like Akram Hourani became Cabinet members.

This goes to show how the radical movement was split insofar as it regarded a military dictatorship as desirable and necessary or not. Such regimes as we have seen in Iraq Syria, and present day Egypt were in reality a by-product of a blend between fascist and autocratic notions and nebulous socialist slogans and attitudes. But both convergent tendencies in their anti-feudal color attracted to their ranks the big bourgeoisie which hopes to replace the feudal system and the un-ideological progressive who sees in every change a step forward. The regime which does not have its roots in the people's struggle and does not depend on a constant growth of mass consciousness begins to undergo a crisis through its own contradictions. The dictator surrounds himself with «yes men», then conceives of himself as a «historical figure» in the Hegelian tradition and moves towards conferring upon himself titles of grandeur and perverting democratic institutions to serve his own ambitions. In this manner, Colonel Husin el Zaim became a Marshal and the President (getting 99% of the so-called votes) and Colonel Shishakly became a President in the same way. But that is not all. They start by an apologia for dictatorship, disclaiming any ambitions, insisting that their roles «were thrust» upon them by «circumstances» and when they have guaranteed the country against «reaction» they will «voluntarily» transfer power to the people through their freely elected representatives. «This is just a phase» they will insist. This fraudulent disclaim of any desire to rule impresses the naive? Western diplomats and correspondents. The most skeptical have urged us to «give the man a chance» notwithstanding that such regimes have had as their first victims the progressive and liberal elements.

In Egypt, the situation is the same though slightly different in the manifestation of the inherent contradictions. These differences, minor in their substance, can be traced to the peculiar circumstances in which the putsch came about. There is the same pathological desire to call the coup a «revolution.» There is the particular emphasis on identifying the junta with «land reform.»\*) There is a nauseating repetition of the junta's interest in democracy «afterwards.» There is the same tendency to represent in a calculating manner liberal elements as unable to cope effectively with basic problems. There is also a systematic suppression of the intelligentsia and enlightened political activities by bumping them in a campaign against «politics» in general. This is a means to generate apathy on the part of the masses by establishing some sort of a paternalistic oligarchy. There is the same pattern of advertising their sincerity to foreigners and gaining tacit support from abroad. There

\*) In a subsequent article I shall deal with Land Reform in the Middle East with particular emphasis on what happened in Egypt.

is, however, a difference in the junta's structure in Egypt from that of Syria's before the overthrow of Shishakly last February (1954). The military regime in Egypt rules in a corporate manner. True, it is the Army leadership that dominates the apparatus of the state, but unlike Syria, the Army in Egypt is fragmented in its loyalties, which fragmentation reflects itself in the so-called «Revolutionary Council.» The Cavalry, for example, maintains General Nguib (though as a figurehead), the Infantry supports Gamal Abdul Nasser, etc. Thus the dictatorship is maintained by alliance of two groups within the Army and capacity to isolate a third component (momentarily the Cavalry is isolated). This fragmentation of loyalty was not true in Syria and conflicts tended to be more personal.

This relatively detailed exposition of military regimes is to show that though their dramatic assumption of power has attracted supporters in the first instance, they have shown themselves insincere in claiming to be «transitory» and unable to provide a revolutionary direction to the Arab people. This is especially true as they tended to rely on social classes who are dangerous to the Arab masses in the same manner the corrupt feudal lords are, because their danger lies in the subtlety of their machinations and the double talk of their utterances.

Invariably Social Democrats have supported such regimes and this is why it cannot serve as a creed to direct our will to change. In its well developed formula it has shown itself incapable of understanding conditions in areas such as ours and uninspiring in its utilitarian politics on its domestic level and this explains why it should not serve as a creed — and it will not as it lacks the necessary ingredients to succeed in the Arab World.

A revolution, without direction, leads however to anarchy, absolutism or its own negation. It is exposed and easily suppressed. It raises false hopes and exhausts latent revolutionary vitality. It is immature hasty, and emotional. It is devoid of any sense of planning, any appreciation for the value of theory, incomprehensive of the need for positive content. It is therefore necessary that disillusionment in Social Democracy should not lead us to abandon the search. It did not. More important, it should not lead us to naked existential dispositions that are caused by a mood of despair and indifference.

Here again the Arabs confronted with such cross-currents of ideas refrain from taking a definite position. Whenever an election is held, the will for change expresses a desire for a certain form of socialism. It invariably gives socialist parties in respective Arab states an advantageous position. An analysis of Arab electorate reactions in recent elections — where the secrecy of the ballot was guaranteed — indicates that (a) traditional parties are discredited and their policies rejected. This is shown by the failure of the former ruling parties in Syria, the National Bloc and the People's Party to get between themselves a working minority. (b) The number of «independents» elected constituting the largest single bloc of deputies and parenthetically representing this mood of hesitancy described above. (c) The phenomenal growth of the socialist strength as compared with earlier elections and in relation to their newness on the political scene. (d) The impressive majority that the sole communist deputy received in Damascus.

This pattern was the same in Iraq where Independent and the National Democratic Party won enough seats not to allow the reactionary pro-British Nuri el Said to form a government and thus led to the dissolution of parties and parliament and suppression of constitutional rights and the holding of a prearranged «election» whereby 125 candidates — Nuri's followers, ran «unopposed.» In Jordan, elections were preceded with a similar prelude as occurred in Iraq. Where free elections were held, a general trend was detected. Besides Syria has always been the most concrete indicator of Arab opinion.

The favorable position of socialism does not at all mean that its victory is inevitable. On the contrary, such position raises the expectations of the masses and activates the enemies of socialism. The strides that we have made in the Arab World will provoke far cleverer schemes on the part of the imperialists to frustrate our development. It will, as in Iraq and Jordan, bring about a totalitarian regime. It will, as in Lebanon, arouse ancient prejudices — religious and local — and draw forgotten hatreds to the forefront. Reaction will fight its battle for survival and the last battle is usually the noisiest. But with vigilance, determination, organizational democracy and the theoretical clarification, socialism will remain the instrument of human progress.



# ART AND CRITICISM

V. PETRIC

## Foreign Films in Yugoslav Cinemas

MANY spectators in countries with a relatively small production of their own have the advantage of following on the screens of their cinemas development of the world motion pictures production, for the greatest number of the films shown are of foreign origin. This is the case with Yugoslavia, for foreign films form 93% of the repertoire of its cinemas, while home-produced films only 7%. Yugoslavia has another advantage, for the number of films shown in the course of one year is not too great: while in France this number amounts to 1,000 films, in Great Britain it is about 700, and in Yugoslavia only about 300 films are shown (there are in France 5,000 cinema theatres, in England 4800 and in Yugoslavia 1300). This makes it easier for distributing companies, when purchasing films, to concentrate either on the commercial or the artistic side. If film critics often object to the purchasing of completely insignificant films, it does not necessarily mean that the criterion is very low, or based on box office principles, but often the reasons are of a technical nature — that is, the demands of the market must be met, and the number of highly artistic films is small even in world proportions! But in spite of all objections to the inartistic and valueless films we often see in our cinemas, Yugoslav audiences have had chance to see almost all the noteworthy creations of the cinematography of the West European countries. Let us see how foreign films are received in Yugoslavia, and what impression of the cinematography of these countries they give.

### FRENCH FILMS PAST AND PRESENT

The number of French films shown in Yugoslavia from 1945 to this day, as well as their quality, indicate that the number of these films in our repertoire is continually rising and that their value is increasing. From »Children of Paradise« (»Les Enfants du Paradis«) to »The Wages of Fear« (»Le Salaire de la Peur«) it is clear that the French film strove to maintain the high quality which gained it fame before the war and to create a style of its own, based on the traditions of the classics of the French cinematography. A whole series of famous directors who were famous before the war have again, with new colleagues, raised French cinematography to the highest place in the world. French films are often shown on our screen and they attract large audiences, and yet there were cases when the audience, and even some critics did not accept some films, which really are original and artistic, and even the delightful picture, »M. Illot's Holiday«. On the other hand many films achieved a double success. We shall name only a few that made both a box-office success and were highly praised: Becker's »The Golden Helmet« (»Le Casque d'or«), Renoir's »Golden Coach« (»Le Carrosse d'Or«), Clair's »Beauties of the Night« (»Les Belles de la Nuit«), Clement's »Prohibited Games« (»Jeux Interdits«), Clouzot's »Manon«, Cayatte's »We are all Murderers« (»Nous sommes tous des Assassins«), Christian-Jacque's »Fanfan the Tulip« (»Fanfan la Tulipe«), Delannoy's »A Moment of Truth« (»Une Minute de Verite«), Otto Larra's »The Devil in the Body« (»Diable au Corps«). These films rank among the best pictures shown in Yugoslavia in the

last few years. Despite many superficial films like »Come to Monte Carlo« or »Pleasures of Paris« French cinematography is very highly thought of both by public in general and film critics. It is very rare that two tastes, one demanding amusement and the other high artistic qualities, are satisfied at the same time. This is achieved only by productions which possess the universa-



A scene from the film »Prohibited Games«

lity of Shakespeare. The French film, especially in the last years, has surpassed in its quality the quantity of the American pictures, and has fought its way to the top in the general development of the seventh art.

Yugoslav audiences had another rare pleasure. They were shown the development of French cinematography in the exhibition in Belgrade of the French Film library, which lasted three months. From the pioneers of the French film, Lumiere, Ferdinand Zecca, and George Melias up to the modern films, amateurs of the seventh art could follow the development of French cinematography and admire such masterpieces as »Interact«, »Kean«, »Napoleon«, »The Fall of Ushers«, »Jeanne d'Arc«, »The Golden Age«, »Under Paris Roofs«, »Atalante«, »Heroic Kermis«, »Banks in Mist«, »The Great Illusion«, »Invitation to the Ball«,



»Fight for the Rail«, »Beauty and the Beast«, »Silence is Golden«, »Lovers from Verona«, etc. It is impossible to enumerate all these great pictures and though many of them were filmed more than twenty years ago, they still impress one with their artistic qualities, and prove that the film like any art, if made with real artistry, has a lasting value.

Finally, it would not be fair to omit to mention the great success of the French documentary and short experimental films, which appealed especially to the film experts. Allain Rene's and Robert Hessen's film »Guernica« and Albert Lamaurice's »White Mane« roused the enthusiasm and admiration of filmfans, as did earlier the documentary films about painting by the Italian director, Luciano Emery.

#### AMERICAN QUANTITY AND ENGLISH QUALITY

American films figure largest in the film repertoire in all the countries of the world (in Yugoslavia 70%). Large scale production affects not only quality, but may also lead to a wrong opinion about cinematography. It is believed that the Hollywood mill of dreams can fabricate anything: to make as many valuable films as it deems necessary, and of the rest to make box-office films with the purpose of touching sentimental souls, of provoking superficial laughter or tension of nerves. Cinema repertoires consist in the majority of such films, and they are mostly branded »Made in USA«.

Our cinemas are overcrowded with westerns, thrillers, sentimental films, musicals, comic films and others produced in series, and yet they have their fans. But highly artistic pictures such as William Wyler's »Heiress« and »The Best Years of our Lives«, John Ford's »My Darling Clementine«, Orson Wells's »Citizen Kane«, John Huston's »Jungle Asphalt«, Elia Kazan's »The Streetcar Named Desire«, Fred Cinnerman's »Sunset Boulevard«, etc, undoubtedly rank among the masterpieces of the seventh art. But they do not help us to form such a high opinion about American cinematography in general, as we hold about the French, nor can the cited films give American motion pictures a special, uniform and characteristic style. British motion pictures achieve this to a greater extent.

Two kinds of films stand out in British cinematography: sentimental standard films like »Blanche Fury« and »Sarabande to Dead Lovers« and »Madness of the Heart«, and serious achievements by artists such as Sir Laurence Olivier, David Lean, Carol Reed, Anthony Asquith Paul Rota and others. But the rise of British cinematography, which was so rapid after the war, is declining, and to-day films of the quality of »Great Expectations«, »Oliver Twist«, »Brief Encounter«, »Hamlet«, and »Henry V« are rare. David Lean seems to have disappeared from the film firmament. Olivier seems to feel unable to make another »Hamlet«. Only Reed did credit to the British cinematography with the »Third Man« but not with »Berlin Story«. One should not fail to mention the directors who are influenced by the famous British »Documentary school« — directors who made films such as »The Browning Version«, »No Place for Keels«, »The Importance of Being Earnest«. These pictures, although not well received by the public, will have their place in the history of cinematography, for they are experiments and a contribution to film aesthetics. One may say that the British film is undergoing a grave artistic crisis.

Judging from here, or better, from the repertoires of the Yugoslav cinemas, one has the impression that British motion picture production is stagnating compared to its ascent between 1945 and 1950. As once did Edward Dmytryk, who came to England to make the unforgettable film »Our Daily Bread«, so have John Huston with »Moulin Rouge«, and Renato Castellani with »Romeo and Juliet« at least indirectly contributed to the reputation of British cinematography. It is no wonder that connoisseurs and serious audiences expect greater achievements from the British cinematography, the more so because certain British actors, great actors indeed, such as Sir Laurence Olivier, Vivien Leigh, Ralph Richardson and Alec Guinness, are extremely popular here.

#### NEOREALISM AND CURSELVES

Deeply moved by the horrors of the war, which sharpened conscience of men, we found in the Italian so-called neorealistic films the renaissance of the seventh art. Problems of life that occupied the mind of modern man could

not give place to the sentimental whims which were once satisfied by the standard products of the Hollywood mill of dreams, and the desire for noble experience true and poetic, made people realise that they needed films which would tell them about real life and the problems surrounding us, in a manner that would set our thoughts going. This is just what the Italian neorealism gave us: it revealed the sore spots of the present society, and in the actors of »everyday drama« it found much humanity, poetry and beauty. People came to love the truly neorealistic films, and the critics proclaimed them highly artistic, regardless of whether they were the heralds of a »new style« in the history of motion pictures or if it was only a coincidence that such kind of good and specific films, which a certain French critic named the neorealistic »School«, were taken by some for a formed style, by others for an experiment, and by others again for a passing fashion.

It is no wonder that Vittorio de Sica became not only one of the most admired names in the Yugoslav film press, but also a popular director with the public. Ana Magnani and Aldo Fabrizi are also very popular and most favorably written ob by the press. They are followed by Silvana Mangano, Raf Valone, Carla del Poggio, in films which attracted many spectators, but were thought by the critics to be a concession to the public taste.

If the masterpiece of the modern film art, »The Bicycle Thieves« was for our public its first encounter with Italian neorealism, an encounter which made audiences wonder for they saw something that did not fit with the conventional production, »Blackboots« and »A Miracle in Milan« on the other hand were triumphs of great art in the opinion of the critics, but were not thought so by the public. People of taste could see in the condensed expression of those films whose literary soul was Cesare Zavattini, and in Vittorio de Sica's poetic realism, a somewhat pessimistic note that emanated from the screen; but they could see a certain optimism in the dramatic action and perceive for instance in good Totò's escape the primitive yearning of man to lead a life in which he will be free of fear of hunger, exploitation, poverty and injustice. Many directors did not achieve de Sica's artistry, for example Alberto Latuada in the pictures »Without Mercy« and »Mill on the River Po«, although they are above the ordinary Italian pictures that we often see on our screen, as for instance »I Dreamt of Paradise«. Many of us were, for a moment, disappointed by seeing a superficial film »Our Son the Professor« directed by the well known Castellani, after his »Sun in Rome«, only later to become enthusiastic again over his film »Two Pennies of Hope«. We are now impatiently awaiting his latest achievement »Romeo and Juliet«. Some of the directors are still remembered for their earlier pictures, but de Santis, for instance, whose creative power, beginning with the film »Tragic Fishing« culminating in »Bitter Rice«, and waning in »There is no Peace under the Olive Trees« is perceptibly declining. Unfortunately we did not again encounter some directors, after their having enraptured us, such as Rossellini after his impressive film »Rome the Open City«, or Sieno and Minicelli after their witty film »Police-men and Thieves«. It is also a pity we have not seen de Sica's latest pictures.

Although it seems that the ideas and principles suggested by the neorealistic school are losing their importance, the influence of this style is felt in the films of other countries, including Yugoslavia. The neorealists have daringly exposed the mind of the little man and the sense of his daily, apparently monotonous life, but as such an artistic form, was formerly to be found only in the pictures of the golden age of Soviet cinematography (Eisenstein, Pudovkin) or in the culmination of the French neorealistic style (Jean Renoir, Marcel Carnet), the feeling of loss we have in seeing more and more Italian films dominated by conventional conceptions of directing and aspirations to the outward effect is therefore justified. Will the genius of neorealism reappear, we wonder?

#### GERMAN AND AUSTRIAN CINEMATOGRAFHY

The statement that we have seen very few good German and Austrian films is not exaggerated. Exception are the co-produced Austro-Yugoslav film »The Last Bridge« — it is not clear whether it really is a product of the artistic co-production of two countries or something else — and certain films made in East Germany of which a few are noteworthy achievements, such as »Shadows Over Two« and »Murderers Are among Us«. Otherwise German



pictures waste themselves on superficial, sentimental stories, and the Austrian ones are so often reeking of provincialism that even people with a primitive taste cannot endure them and it is the general belief that Austrian films are valueless, although it did not appear so in 1948 when we saw G. W. Pabst's excellent picture »Process«. And really a whole series of German and Austrian films (»Land of Laughter«, »Brothers Shramel«, »False Heartbeats«, »Eve Deserves Paradise«) give an impression of sugary inadequacy which is all the worse for a lack of the technical standard, that the so-called Hollywood sugar-and-cream pictures usually possess. Consequently one passable film, »Twins«, aroused public enthusiasm and was praised by the critics, for it looked as if there were no good films in the German language, and that the »golden age« of German production, when Fritz Lang, Murnau, Pabst, Dupont, Fomer, etc. were creating was over for good.

#### CINEMATOGRAPHY IN OTHER COUNTRIES

Japanese cinematography, was after the Italian neorealism which was the dominating factor after the war, a real revelation to our audiences. This is mostly the merit of the director Akina Kurosawa, whose »Rashomon« was greatly praised by the critics, although the audiences did not like it owing to its too refined aesthetic values, and its intricacy and depth. That is perhaps why, to our regret, we did not see, after »Rashomon«, any other Japanese film, although it enjoys a great fame throughout the world. But we hope that we shall soon have the opportunity of seeing in our cinemas »Seven Samurai« directed by Kurosawa, and »The Gates of Hell« directed by Tenosuká Kingas.

On the other hand, another country, with huge spaces and a huge film production, disappointed us with its pictures. In truth we have seen only one Indian picture »Storm«, but since it is considered to be one of the better achievements of Indian cinematography, the critics have inferred that India is far behind Japan in the world of cinematography.

Before the Japanese films conquered our public, the Mexican pictures were very popular, especially the rather

sentimental film »One Day to Live«. Other films by the director, Emilio Fernandez, »Pearl«, »Rio Escondido« and »La Malquerida«, were very popular. Camermen Figuero created supreme visual symbols and largely contributed to the forming of a specific style in Mexican cinematography.

Finally, we cannot overlook some pictures made in Scandinavia which were shown in Yugoslavia. Two Swedish films are noteworthy, although quite different. They are Soberg's »Miss July« and Matson's »She Danced One Summer Only«. The first, an exquisite and unquestionable work of art was very indifferently received by the public, while the other, probably owing to certain concessions to the public taste, was a hit like the American »best seller«, »Gone with the Wind«.

#### THE MAGIC CIRCLE

If we tried to show by the size of audiences the success of some foreign films, we would draw the unhappy conclusion that the size of the audiences decreases proportionately as the artistic value of a film increases. It is no wonder therefore that the film industry of all countries tends to produce films whose chief purpose is to amuse, for they are the most profitable. It is for this reason that the greatest number of pictures produced in the Western countries, and they mostly figure on the repertoire of our cinemas, are usually of poor or only average artistic value. The exception are the French films, which lately have almost always been above the usual standard. It is not important whether the reason for this is the general quality of French pictures or their lucky, sensible choice for foreign markets, for it is a fact that French cinematography enjoys a great reputation abroad, and is constantly growing which prove that it is possible to get out of the magic circle, that it is wrong to treat cinematographic products more like merchandise than works of art. The escape from this magic circle, even if it means a certain financial loss, is a great achievement, and has great cultural importance to the country in question. But unfortunately little care is taken of this kind of cooperation, although it might constitute an important form of cultural policy.

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